

Interim report on unaudited consolidated results for the financial period ended 30 September 2021

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021**

	Current Quarter			Cumulative Quarter		
	Three Months Ended 30-Sep-21 RM' 000	30-Sep-20 RM' 000	Changes %	Twelve Months Ended 30-Sep-21 RM' 000	30-Sep-20 RM' 000	Changes %
Revenue	12,036	14,557	-17.32%	51,762	55,098	-6.05%
Cost of sales	<u>(10,975)</u>	<u>(12,700)</u>		<u>(46,197)</u>	<u>(48,467)</u>	
Gross profit	1,061	1,857	-42.86%	5,565	6,631	-16.08%
<b>Other income</b>						
- interest	193	172		706	620	
- others	112	181		474	8,862	
Administrative expenses	(137)	(837)		(1,486)	(2,631)	
Selling and marketing expenses	(39)	(155)		(295)	(1,173)	
Depreciation of property, plant and equipment	(240)	(230)		(909)	(869)	
Depreciation of right-of-use assets	(210)	(252)		(874)	(709)	
Other operating expenses	-	(314)		-	(370)	
Finance costs	(85)	(93)		(350)	(300)	
<b>Profit before tax</b>	<u>655</u>	<u>329</u>	99.09%	<u>2,831</u>	<u>10,061</u>	-71.86%
Income tax expense	<u>(46)</u>	<u>(134)</u>		<u>(170)</u>	<u>(134)</u>	
<b>Profit after tax representing total comprehensive income for the period</b>	<u><u>609</u></u>	<u><u>195</u></u>	212.31%	<u><u>2,661</u></u>	<u><u>9,927</u></u>	-73.19%
<b>Attributable to:</b>						
Equity holders of the Company	609	195	212.31%	2,661	9,927	-73.19%
Non-controlling interests	<u>-</u>	<u>-</u>		<u>-</u>	<u>-</u>	
	<u><u>609</u></u>	<u><u>195</u></u>	212.31%	<u><u>2,661</u></u>	<u><u>9,927</u></u>	-73.19%
<b>Profit per share (sen)</b>						
- basic	0.06	0.03		0.34	1.64	
- diluted	0.05	0.02		0.28	1.04	

The condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 September 2020 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2021**

	As at 30-Sep-21 RM' 000 (Unaudited)	As at 30-Sep-20 RM' 000 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	13,445	14,272
Right-of-use assets	8,270	9,174
Other investments	-*	-*
	<u>21,715</u>	<u>23,446</u>
<b>Current assets</b>		
Inventories	4,497	8,642
Trade receivables	5,940	6,512
Other receivables	15,302	5,280
Cash and bank balances	39,467	36,276
	<u>65,206</u>	<u>56,710</u>
<b>TOTAL ASSETS</b>	<u><u>86,921</u></u>	<u><u>80,156</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	88,701	59,065
Redeemable convertible preference shares	-	15,000
Warrant reserves	8,719	8,719
Accumulated losses	(24,358)	(27,019)
Shareholders' equity	<u>73,062</u>	<u>55,765</u>
Non-controlling interests	-	-
<b>TOTAL EQUITY</b>	<u><u>73,062</u></u>	<u><u>55,765</u></u>
<b>Non-current liability</b>		
Lease liabilities	<u>8,051</u>	<u>8,737</u>
<b>Current liabilities</b>		
Trade payables	2,095	7,148
Other payables	1,298	4,720
Contract liabilities	1,501	2,894
Borrowings	191	84
Lease liabilities	677	660
Current tax liabilities	46	148
	<u>5,808</u>	<u>15,654</u>
<b>TOTAL LIABILITIES</b>	<u>13,859</u>	<u>24,391</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>86,921</u></u>	<u><u>80,156</u></u>
Net assets per share attributable to ordinary owners of the Company (RM)	<u>0.07</u>	<u>0.08</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 September 2020 and the accompanying explanatory notes attached to the interim financial statements.

\* Represents RM2

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021**

	← Attributable to Owners of the Company →						
	← Non-Distributable →						
	Share Capital RM' 000	Redeemable Convertible Preference Shares RM' 000	Warrant Reserves RM' 000	Accumulated Losses RM' 000	Total RM' 000	Non- controlling Interests RM' 000	Total Equity RM' 000
<b>Opening balance as at 1 October 2019</b>	3,442	-	-	(33,373)	(29,931)	-	(29,931)
Issuance of placement shares	2,729	-	-	-	2,729	-	2,729
Issuance of settlement shares	9,760	-	1,898	-	11,658	-	11,658
Issuance of rights shares	39,985	-	7,775	-	47,760	-	47,760
Issue of shares upon exercise of warrants	3,881	-	(954)	-	2,927	-	2,927
Share issuance expenses	(732)	-	-	-	(732)	-	(732)
Issuance of settlement preference shares	-	15,000	-	-	15,000	-	15,000
Dividend	-	-	-	(3,573)	(3,573)	-	(3,573)
Total comprehensive income	-	-	-	9,927	9,927	-	9,927
<b>Closing balance as at 30 September 2020</b>	<b>59,065</b>	<b>15,000</b>	<b>8,719</b>	<b>(27,019)</b>	<b>55,765</b>	<b>-</b>	<b>55,765</b>
<b>Opening balance as at 1 October 2020</b>	<b>59,065</b>	<b>15,000</b>	<b>8,719</b>	<b>(27,019)</b>	<b>55,765</b>	<b>-</b>	<b>55,765</b>
Total comprehensive income	-	-	-	2,661	2,661	-	2,661
<b>Transactions with owners:-</b>							
Conversion of RCPS	30,000	(15,000)	-	-	15,000	-	15,000
Share issuance expenses	(364)	-	-	-	(364)	-	(364)
<b>Closing balance as at 30 June 2021</b>	<b>88,701</b>	<b>-</b>	<b>8,719</b>	<b>(24,358)</b>	<b>73,062</b>	<b>-</b>	<b>73,062</b>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 September 2020 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021**

	Twelve Months Ended	
	30-Sep-21	30-Sep-20
	RM' 000	RM' 000
<b>OPERATING ACTIVITIES</b>		
Profit before tax for the period	2,831	10,061
Adjustments for:		
Allowance for expected credit loss on trade receivables	(48)	48
Depreciation of property, plant and equipment	909	869
Depreciation of right-of-use assets	874	709
Gain on termination of leases	(*)	-
Gain on disposal of property, plant and equipment	(**)	-
Property, plant and equipment written off	5	-
Impairment on property, plant and equipment	-	57
Inventories written down	-	265
Waiver of liabilities	-	(4,996)
Reversal of inventories written down	-	(24)
Interest income	(706)	(620)
Interest expense	350	300
Dividend income	-	(3,540)
<b>Operating cash flows before working capital changes</b>	<u>4,215</u>	<u>3,129</u>
<b>Changes in working capital</b>		
- contract liabilities	(1,393)	1,457
- trade and other receivables	(3,044)	(3,487)
- inventories	4,145	1,116
- trade and other payables	(8,476)	(21,295)
<b>Cash flows used in operations</b>	<u>(4,553)</u>	<u>(19,080)</u>
Tax paid	(272)	(1)
Tax refund	-	1
<b>Net cash flows used in operating activities</b>	<u>(4,825)</u>	<u>(19,081)</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(90)	(680)
Proceed from disposal of property, plant and equipment	3	-
Deposits paid for proposed acquisition of subsidiaries	(6,357)	-
Interest received	496	620
Dividend received	-	3,540
<b>Net cash flows from investing activities</b>	<u>(5,948)</u>	<u>3,480</u>
<b>FINANCING ACTIVITIES</b>		
Dividends paid	-	(3,573)
Interest paid	(350)	(300)
Payment of lease liabilities	(639)	(486)
Placement of fixed deposits pledged to a licensed bank	(5,000)	(9,693)
Proceeds of new borrowings	106	84
Proceeds from issuance of shares	-	52,684
Proceeds from conversion of RCPS	14,636	-
<b>Net cash flows from financing activities</b>	<u>8,753</u>	<u>38,716</u>
<b>CASH AND CASH EQUIVALENTS</b>		
Net increase	(2,020)	23,115
At beginning of period	26,449	3,334
<b>At end of period</b>	<u>24,429</u>	<u>26,449</u>

Cash and cash equivalents at the end of the financial period comprise of the following:

	As at 30-Sep-21 RM' 000	As at 30-Sep-20 RM' 000
<u>Cash and cash equivalents included in consolidated statement of cash flows comprise the following:-</u>		
Fixed deposits with a licensed bank	15,038	9,827
Cash and bank balances	24,429	26,449
	39,467	36,276
Less: Fixed deposits pledged as security	(15,038)	(9,827)
	<u>24,429</u>	<u>26,449</u>

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 30 September 2020 and the accompanying explanatory notes attached to the interim financial statements.

\* Represents RM467

\*\* Represents RM185

**Part A - MFRS 134 Requirements**

**A1 Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") No. 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the Group's audited financial statements for the period ended 30 September 2020. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes on the financial position and performance of the Group since the financial period ended 30 September 2020.

**A2 Accounting Policies**

The accounting policies and presentation applied by the Group in these interim financial statements are the same as those applied by the Group in its consolidated annual financial statements as at and for the year ended 30 September 2020, except for the adoption of the new and amended MFRSs, and Issues Committee (IC) Interpretations mandatory for annual financial periods beginning on or after 1 January 2020.

These new MFRSs and revision and amendments not adopted by the Group do not have any significant impact on the financial statements of the Group.

**A3 Auditors' Report on Preceding Annual Financial Statements**

The audited financial statements of the Group for the preceding financial year ended 30 September 2020 were not subject to any qualification.

**A4 Comments about Seasonal or Cyclical Factors**

The businesses of the Group are generally not affected by the seasonal and cyclical factors.

**A5 Unusual Items due to their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review.

**A6 Changes in Estimates**

There were no changes in estimates that have any material effect on the current quarterly results.

**A7 Debt and Equity Securities**

During the 3-month period ended 30 September 2021, the Group has not issued any new ordinary shares.

As at 30 September 2021, the total number of outstanding warrants was 267,808,360.

There was no issuance, cancellation, repurchase, resale and repayment for debt and equity securities during the current financial quarter under review.

**A8 Dividend Paid**

No dividend has been paid for the financial period under review.

**A9 Segmental Information**

There is no segmental reporting by the Group.

**A10 Capital Commitments**

There were no capital commitments as at the end of the reporting period.

**A11 Related Party Transactions**

The Group's recurrent related party transactions during the quarter and cumulative period-to-date ended 30 June 2021 are as follows:

	<b>3 Months Ended 30-Sep-21 RM' 000</b>	<b>Year-to-date ended 30-Sep-21 RM' 000</b>
Transactions with a company in which a major shareholder and Director has interests:		
Rental Income	(91)	(366)
Purchases	5,250	38,757
	<u>5,159</u>	<u>38,391</u>

**A12 Material Subsequent Events**

There were no material events subsequent to the end of current financial quarter.

**A13 Changes in the Composition of the Group**

There were no changes in the composition of the Group during this current quarter.

**A14 Changes in Contingent Liabilities or Contingent Assets**

There were no changes in contingent liabilities or contingent assets during the financial period under review.

**A15 Profit Before Tax**

The following items have been charged/(credited) in arriving at profit before tax:

	<b>Current quarter Three Months Ended</b>		<b>Cumulative Quarter Twelve Months Ended</b>	
	<b>30-Sep-21 RM' 000</b>	<b>30-Sep-20 RM' 000</b>	<b>30-Sep-21 RM' 000</b>	<b>30-Sep-20 RM' 000</b>
Interest income	(193)	(172)	(706)	(620)
Dividend income	-	-	-	(3,540)
Rental income	(92)	(91)	(366)	(182)
Gain on termination of lease	(*)	-	(**)	-
Gain on disposal of property, plant and equipment	-	-	(***)	-
Interest on lease liabilities	85	93	350	300
Depreciation of property, plant and equipment	240	230	909	869
Allowance for expected credit loss on trade receivables	-	48	(48)	48
Impairment on property, plant and equipment	-	57	-	57
Property, plant and equipment written off	-	-	5	-
Depreciation of right-of-use assets	210	252	874	709
Waiver of liabilities	-	-	-	(4,996)
Realised foreign exchange gain	-	-	(8)	-
Insurance claims received	-	-	-	(54)

\* Represents RM132

\*\* Represents RM467

\*\*\* Represents RM185

Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities

**B1 Review of Performance**

	Individual Period		Changes	Cumulative Period		Changes
			%			%
	Three Months	Three Months		Current Year To-date	Preceding Year Corresponding Period	
	1-Jul-21 to 30-Sep-21	1-Jul-20 to 30-Sep-20		01-Oct-20 to 30-Sep-21	01-Oct-19 to 30-Sep-20	
	RM' 000	RM' 000		RM' 000	RM' 000	
Revenue	12,036	14,557	(17.32)	51,762	55,098	(6.05)
Gross profit	1,061	1,857	(42.86)	5,565	6,631	(16.08)
Profit Before Interest and Tax	740	422	75.36	3,181	10,361	(69.30)
Profit Before Tax	655	329	99.09	2,831	10,061	(71.86)
Profit After Tax	609	195	212.31	2,661	9,927	(73.19)

The revenue for the Group had decreased slightly by 17.32% in the current quarter compared to previous year's corresponding quarter. Moreover, the gross profit of the Group has also decrease by 42.86% compared to previous year's corresponding quarter.

Despite the decrease in revenue and gross profit, the profit after tax in current quarter has increase significantly by 212.31%. This was mainly due to high provision of tax payable, provision of slow-moving stock and allowance for expected credit losses incurred during the previous year's corresponding quarter.

**B2 Material Changes in the Quarterly Results as compared to Results of the Preceding Quarter**

	Current Quarter	Immediate Preceding Quarter	Changes %
	01-Jul-21 to 30-Sep-21	01-Apr-21 to 30-Jun-21	
	RM' 000	RM' 000	
Revenue	12,036	13,384	(10.07)
Gross profit	1,061	1,599	(33.65)
Profit Before Interest and Tax	740	1,041	(28.91)
Profit Before Tax	655	953	(31.27)
Profit After Tax	609	910	(33.08)

The revenue and gross profit for the Group had decreased slightly by 10.07% and 33.65% respectively in the current quarter compared to immediate preceding quarter.

The profit after tax had decreased by 33.08% from RM0.910 million to RM0.609 million in the current quarter compared to immediate preceding quarter. This was mainly due to fluctuation in the price of raw materials.

**B3 Prospect**

The price of wheat increased tremendously since beginning of the year. The Company has been working closely with the Ministry of Domestic Trade and Consumer Affairs to adjust the price of wheat flour. We hope to receive positive feedback from the Ministry to allow us to adjust the selling price of wheat flour.

**B4 Profit Forecast**

There were no profit forecast nor profit guarantee made during the financial period under review.

**B5 Taxation**

There is provision of taxation of RM0.046 million for the current quarter.

**B6 Profit / (Loss) on Sales of Unquoted Investments and/or Properties**

There were no sales of unquoted investments and properties during the quarter under review.

**B7 Quoted Securities**

For the period under review, the Group does not hold any quoted securities.

**B8 Corporate Exercise**

The status of utilisation of proceeds of RM34.114 million raised from the regularisation plan which was completed on 28 November 2019 are as follows:

Purpose	Proposed Utilisation	Actual Utilisation	Balance	Estimated timeframe
	RM' 000	RM' 000	RM' 000	
Wheat flour business	21,414	21,414	-	Within 24 months
Tapioca starch business	10,000	10,000	-	Within 24 months
Expenses relating to the regularisation	2,700	2,700	-	Within 3 months
	34,114	34,114	-	

**B9 Group Borrowings and Debt Securities**

During the quarter under review, the Group has no borrowings.

**B10 Off Balance Sheet Financial Instruments**

The Group does not have any financial instrument with off balance sheet risks as at 26 November 2021 the latest practicable date which is not earlier than 7 days from the date of issuance of this quarterly report.

**B11 Changes in Material Litigation**

There were no material litigation during the financial period under review.

**B12 Dividend Declared**

No dividend has been declared for the financial period under review.

**B13 Profit Per Share****(a) Basic**

Basic profit per share are calculated by dividing the net earnings for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issued during the period.

	Current Quarter		Cumulative Quarter	
	Three Months Ended 30-Sep-21	30-Sep-20	Twelve Months Ended 30-Sep-21	30-Sep-20
Net profit attributable to equity holders of the Company (RM' 000)	609	195	2,661	9,927
Weighted average number of ordinary shares in issue ('000)	1,018,975	715,804	794,249	605,153
Basic profit per share (sen)	0.06	0.03	0.34	1.64
<b>(b) Diluted</b>				
Net profit attributable to equity holders of the Company (RM' 000)	609	195	2,661	9,927
Weighted average number of ordinary shares in issue ('000)	1,170,923	1,081,093	954,396	957,696
Diluted profit per share (sen)	0.05	0.02	0.28	1.04